

Salem Power Plant Revitalization Task Force - Decommissioning Subcommittee Meeting

Monday, January 13, 2014

10:00am – 12:00pm

EEA (100 Cambridge Street) 2nd Floor Conference Room A
Boston, MA 02114

Meeting Attendees:

Dan Burgess	EEA
Lauren Farrell	EEA
Liam Holland	TUE Committee
John Keenan	Massachusetts House of Representatives
Lee Smith	MassDevelopment
Joel Wool	Clean Water Action
Tom Bessette	DPU
Dan Dolan	NEPGA
Ron Gerwatowski	National Grid
Bess Gorman	National Grid
Jim Buckley	DPU, EFSB
Joe Dalton	GDF Suez
Gary Moran	DEP
Jim Ginnetti	EquiPower
James Red Simpson	IBEW
Jeremy Spittle	Office of Senator Rodrigues
John Beling	AGO
Gary Davis	EEA
Erica Kreuter	HEG
Sandra Merrick	AGO
Jim Smith	EquiPower

Documents Discussed:

Agenda
Draft Legislation

Dan Burgess called the meeting to order at 10:04am

Welcome and Introductions

Dan Burgess welcomed the Subcommittee Members and attendees and began the introductions. He noted the Somerset hearing on January 6 was successful and a large number of people attended. Rep. Keenan said he felt it was a positive meeting overall. Mr. Burgess said a public comment period was created as there was concern for those who could not attend the Somerset hearing due to recent weather. He continued that the comment period would go until 5pm on January 20 and all comments will be shared with the group.

Draft Legislation

Mr. Burgess noted general themes for recommendations were discussed and sent around and any feedback would be helpful. Mr. Dolan said a proposal provided by NEPGA for consideration by the Task

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Force was distributed for discussion before the meeting. He noted there were three main points in the proposal: existing requirements; overall collaboration with the host community; and redevelopment in an economically efficient manner. He said other elements to note are the restructuring industry and making sure plans don't hamper redevelopment options. Mr. Dolan continued that the group needs to lay out existing requirements and look at overall flexibility. He noted one concern is the potential of more costs layering on top of costs that already exist. Mr. Gerwatowski said as with Brayton Point, the intention of the owner is to take down the cooling towers until the costs start adding up.

Mr. Davis noted that the general themes were proposed to start the dialogue; there is not a clear winner here but the group can blend scenarios and come up with a deliverable in two weeks. Mr. Gerwatowski said he thinks there is more success with a carrot and stick approach as policy makers could decide from a range of costs with menu choices. Mr. Davis replied that the primary intent of the themes document was to identify issues everyone needs to think about; the themes will put the accountability on someone but an open dialogue is necessary. Rep. Keenan noted that Mr. Gerwatowski raises a good point. Mr. Davis said he does not disagree. Mr. Gerwatowski reiterated that menu choices would help the owner know if they can afford it. He said that if the plant closes, there needs to be a study so policy makers are aware of the real data to know what the implications are. Mr. Dolan noted the mandate is to look at other coal plants in the State. He said the Task Force needs to look at the scope beyond what is already in the Legislation and building off of it instead of trying to repeal and replace it.

Mr. Moran asked what is required for redevelopment. Mr. Dolan responded that there is a model working with MassCEC, the host community, and the owner as well as some grant money from the State. Mr. Smith noted his company (EquiPower Resources Corp.) owns Brayton Point and they have been sympathetic to the community. He said flexibility is important, especially the flexibility of time to decide. He noted that the location may even be a good place for another plant. Mr. Smith also said EquiPower is committed to work with the community on a study but they have an obligation to decide what can be done with the plant, not the State or anyone else. He continued that at the end of the day, EquiPower will decide what to do with the property. Mr. Davis responded that the main concerns are contaminants and no economic redevelopment. He noted that the Task Force was charged with having to address these issues knowing there are owners/operators to keep in mind. Mr. Ginnetti said they are aware of what the environmental regulations are but they are also like any other manufacturer and should not be singled out. He said there needs to be a balance.

Mr. Dolan said the discussion needs to be centered on redevelopment and reuse and then the site remediation issues will get taken care of. He said the Task Force needs to examine the extent to which the "carrot" needs to be improved; suggesting tax incentives, competition between states, and building relationships. Responding to Mr. Davis' and Mr. Ginnetti's discussion, Mr. Smith said that contaminants are still in the ground and buildings are just built over them so why single out the power plants. He said that the Legislature needs to think about all manufacture sites because there are a lot of other sites that should also be looked at.

Mr. Burgess said there seems to be some agreement regarding planning and noted that per statute, MassCEC has funds for Somerset and Holyoke. Mr. Dolan noted there is general agreement but the group is tasked with looking at remaining coal plants retiring by 2017 so it makes sense to plan now and focus. Rep. Keenan noted Sen. Downing represents Pittsfield and costs from deregulations are affecting that community as well. Ms. Merrick asked if there has been discussion that goes beyond power plants.

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Mr. Dolan said there are many facilities that are similarly regulated by the State but asked at what point does that open it up to others. Mr. Beling noted that deconstruction is sensitive but there needs to be a plan and Salem is one model. He said there are federal and state requirements (21E) for remediation but there is still a gap.

Next Steps

Rep. Keenan noted that the 'Salem Model' does work. He said a study was done and there was community support but there is not a Plan-B and feels a study would be completed. Mr. Davis asked who would pay for that. He also asked how the Committee can advance the deliverable, noting draft legislation was created to highlight themes and a public comment period was encouraged. Mr. Gerwatowski said that an informal policy decision can be made with the suggested information however there is not information for Brayton Point. He noted that every site is different and a decision cannot be made without data. He said a more thorough background at each site is needed because there are different situations. Mr. Davis said the discussion has been focused on the plan and legislation but asked what steps should be taken. Mr. Gerwatowski responded that more data and information is needed to create a menu of choices and a process on how to decide. Mr. Davis asked if Mr. Gerwatowski can flush out the themes and send something in. Mr. Gerwatowski agreed that he can send something to Mr. Davis for consideration.

Mr. Simpson noted that Salem progressed rapidly so the plan should be kept as simple as possible because of all the moving parts. He said that Salem commissioned a comprehensive study and everything flowed from there. Again, he said to keep the plan as simple as possible – complete a comprehensive study and then close the plant. Mr. Simpson asked how a time frame can be put on the property owner. Mr. Bessette asked if money is available to do a study in the event of a shut down. Mr. Dolan said those funds exist within MassCEC. Mr. Burgess noted that MassCEC can provide not less than \$100,000.

Mr. Davis said the Committee is not wedded to his suggested themes but the concept is laid on top of already required studies. Mr. Burgess said he can send that out to the Committee. Mr. Davis asked where the Committee wants to go from here. Mr. Dolan said he can try to lay out a draft of what the process will look like and raise any issues. He said he feels like there will be a hard time getting the whole group on board unless the Legislature wants to go in a different direction.

Mr. Davis said EEA will take recommendations from the Committee, the public comments will be sent out, and then the Committee will meet again. Mr. Burgess said the next meeting is scheduled for January-22.

The meeting adjourned at 10:56am.

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